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FILE ONLY

Two Intelligence Experts Urge Tighter Security

By RONALD J. OSTROW, Times Staff Writer

WASHINGTON—Two intelligence experts Sunday called for stepping up surveillance of Soviet Bloc agents in the United States and cutting back the number of Americans with security clearances

In the wake of the Walker family spy disclosures, Adm. Bobby R. Inman, former deputy director of the CIA, said the Naval Investigative Service has three times as many agents looking for waste, fraud and abuse—"the \$600 ashtray cases"—as those hunting for spies.

"Frankly, we tend to allocate the talent we have against the problem that's got the current headline," he said on CBS-TV's "Face the Nation." "We really have to re-look" at the nation's priorities.

Espionage Charges

Retired Navy communications specialist John A. Walker Jr. and his son, Michael Lance Walker, a seaman aboard the aircraft carrier Nimitz, have been indicted on charges of espionage for the Soviet Union. The older Walker's brother, Arthur J. Walker, a retired Navy lieutenant commander and defense contractor engineer, has been arrested on similar charges.

Sen. Patrick J. Leahy (D-Vt.), ranking minority member of the Senate Intelligence Committee, said on the same program that the Walker case is "one of the more serious breaches of our security."

He said the Soviets are making similar espionage attempts "all the time. We are just not prepared to cope with it. We are not doing an adequate job."

Inman said the government could not "surveil" the 4.3 million Americans who hold security clearances. "So you begin with absolutely blanketing every legal, accredited prospective (Communist) case officer in this country," he said.

Case officers, as they are called in the intelligence community, are officials whom Soviet Bloc nations send to the United States as part of their embassy or U.N. staffs. Protected by diplomatic immunity, their real mission is intelligencegathering and recruiting spies. (6)

In the early 1970s, the United States moved to improve trade and foreign relations with Communist countries and, in the process, "more than doubled the number of prospective case officers," Inman said. At the same time, the FBI and military services were reducing their counterintelligence agents.

The nation fell so far short of the traditional goal of having four FBI agents for every prospective Soviet Bloc case officer that, by the end of the 1970s, there were two prospective case officers for every FBI agent, Inman said. Since then, although Inman did not mention it, the FBI's counterintelligence budget has been increased sharply and the ratio has improved, intelligence sources say.

Situation Called 'Crazy'

Leahy said it is "crazy" that the number of Americans with security clearances now exceeds 4 million. Just to recheck the backgrounds of those individuals "would take 10 years," he said.

Noting that 99% of those who apply for clearances receive them, Leahy said: "We've got to take a hard-nosed look at it and realize that the Soviets are going to exploit every advantage that they can."

"We give them advantages in where we allow them to put their embassies . . . in not using secure telephone lines . . . and in just letting too many people have access to secrets in this country."

Meanwhile, a former employee of John Walker told in an interview of a hurried trip that Walker made to San: Francisco ins. 1979. FBI agents now are gathering evidence against a fourth suspect, in the Walker case, an ex-Navy friend of Walker who is in the Sacramento-Vallejo area, sources, familiar with the case said.

er Edward H. Ulrich, who worked part time from 1980 to 1981 for Walker's detective firm, Confidential Reports Inc., said Walker told him in 1979 that he was drawing income from a partnership in a San

Francisco "arcade.".

At the time, Walker and Ulrich were both working for Wackenhut Corp., an international security firm in the Norfolk, Va., area, and Ulrich said that he had "teased" Walker about where he had obtained the funds to buy the airplane, camper, houseboat and condominium that he owned. Walker then gave the arcade explanation, Ulrich said, explaining that he would fly to California once or twice a year to pick up his profits.

In the fall of 1979, Ulrich said, Walker appeared in the office "agitated and upset," saying that he had reason to believe he was being cheated in the San Francisco venture.

"He dropped the case he was working on and out the door he went," Ulrich said. He was gone "a couple of days," Ulrich said, and, when he returned, indicated that the problem had been solved.

Ulrich said that Walker did not name his San Francisco partner, referring to him as "this guy."

Ulrich now is a nuclear refueling technician at a Newport News, Va., shipyard.